

SENATE RECORD VOTE ANALYSIS

104th Congress
1st Session

Vote No. 174

May 22, 1995, 7:14 p.m.
Page S-7101 Temp. Record

BUDGET RESOLUTION/Medicare Fraud

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Cohen modified amendment No. 1116.

ACTION: AMENDMENT AGREED TO, 99-0

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Cohen modified amendment would express the sense of the Senate that high priority should be given to proposals which identify, eliminate, and recover funds fraudulently expended from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund (the trust funds for part A and part B of the Medicare program). Additionally, it would provide that the Senate assumes that savings from enhanced anti-fraud and abuse efforts would be used to fund further enforcement efforts, to reimburse the trust funds for losses from fraud and abuse, and to reduce the deficit. The amendment is based on several findings, including that the General Accounting Office estimates that 10 percent of Medicare's costs are because of fraud and abuse.

Those favoring the amendment contended:

Each year Federal health programs are found to have lost approximately \$44 billion due to fraud. This \$44 billion, amazingly, represents only a fraction of the problem, because a huge amount of fraud goes undetected. It is shockingly simple to defraud the

(See other side)

YEAS (99)				NAYS (0)		NOT VOTING (1)	
Republican (53 or 100%)		Democrats (46 or 100%)		Republicans (0 or 0%)	Democrats (0 or 0%)	Republicans (1)	Democrats (0)
Abraham	Hutchison	Akaka	Inouye			Gramm- ²	
Ashcroft	Inhofe	Baucus	Johnston				
Bennett	Jeffords	Biden	Kennedy				
Bond	Kassebaum	Bingaman	Kerrey				
Brown	Kempthorne	Boxer	Kerry				
Burns	Kyl	Bradley	Kohl				
Campbell	Lott	Breaux	Lautenberg				
Chafee	Lugar	Bryan	Leahy				
Coats	Mack	Bumpers	Levin				
Cochran	McCain	Byrd	Lieberman				
Cohen	McConnell	Conrad	Mikulski				
Coverdell	Murkowski	Daschle	Moseley-Braun				
Craig	Nickles	Dodd	Moynihan				
D'Amato	Packwood	Dorgan	Murray				
DeWine	Pressler	Exon	Nunn				
Dole	Roth	Feingold	Pell				
Domenici	Santorum	Feinstein	Pryor				
Faircloth	Shelby	Ford	Reid				
Frist	Simpson	Glenn	Robb				
Gorton	Smith	Graham	Rockefeller				
Grams	Snowe	Harkin	Sarbanes				
Grassley	Specter	Heflin	Simon				
Gregg	Stevens	Hollings	Wellstone				
Hatch	Thomas						
Hatfield	Thompson						
Helms	Thurmond						
	Warner						

EXPLANATION OF ABSENCE:
1—Official Buisness
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:
AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

current public health care programs. Payors can barely keep up with the 4 billion claims that are filed every year; they simply lack the resources necessary to detect and prosecute fraudulent claimants. It is so easy and so lucrative to defraud the Medicaid and Medicare programs, in fact, that Federal Bureau of Affairs Director Louis Freeh recently testified that many cocaine dealers have been switching from drug trafficking to health care fraud. Director Freeh also reported that the Russian Mafia and other organized crime groups from around the globe are now actively involved in defrauding the Medicare and Medicaid programs. Some thefts are sophisticated; others are brazen. In the later category, we find that Medicare paid one home health care company's \$85,000 bill for gourmet popcorn, which was given as a promotional item to doctors; in the former category, we find large-scale organizations that create paper trails for nonexistent laboratories and patients, and collect enormous sums for treatments that were never performed. Cracking down on fraud will greatly ease the financial crises facing Medicare and Medicaid today. We trust our colleagues agree, and will consequently vote in favor of the Cohen amendment.

While favoring the amendment, some Senators expressed the following reservations:

We agree that health care fraud is a serious problem that is draining precious resources from both public and private health care programs. However, with that said, we must raise a note of caution over the provision of this amendment which encourages using fines, penalties, and damages collected as a means of funding anti-fraud efforts. This provision may compromise the integrity of our law enforcement efforts by encouraging officials to forego criminal prosecutions in favor of civil penalties that benefit their agencies, or, similarly, to pursue larger civil penalties than are warranted because those penalties will go to their agencies. With this caveat, we are pleased to vote in favor of the Cohen amendment.